# CLAIMS:

Claims 1-27 (previously cancelled)

Claims 28-53 (hereby cancelled)

Claim 54 (new): A method for electronically managing auctions that include short-bidding, the method comprising:

creating an auction, which includes entering information about an item, setting a quantity for the item, and setting an asking price for the item, where the auction creating is performed via a seller user interface by a single seller;

placing a bid on the item, including setting a bid price, where the bid price may be any price regardless of the asking price for the item and regardless of any bid prices on other bids, if any, for the item, where the bid becomes a short-bid contract when the bid price is less than the asking price, and where the bid is placed via a bid creator user interface by any one of a potential number of purchasing bidders;

providing the seller with information on the short-bid contracts, if any, for the item, and receiving from the seller an indication of whether to accept any particular short-bid contract, where the providing and receiving are performed by the seller via a bid review user interface; and

executing a short-bid sale of the item in a particular short-bid contract upon receipt of the acceptance indication for the particular short-bid contract.

Claim 55 (new): A medium readable by a computer containing instructions that when performed by the computer provide a method for

electronically managing auctions that include short-bidding, the method comprising:

creating an auction, which includes entering information about an item, setting a quantity for the item, and setting an asking price for the item, where the auction creating is performed via a seller user interface by a single seller;

placing a bid on the item, including setting a bid price, where the bit price may be any price regardless of the asking price for the item and regardless of any bid prices on other bids, if any, for the item, where the bid becomes a short-bid contract when the bid price is less than the asking price, and where the bid is placed via a bid creator user interface by any one of a potential number of purchasing bidders;

providing the seller with information on the short-bid contracts, if any, for the item, and receiving from the seller an indication of whether to accept any particular short-bid contract, where the providing and receiving are performed by the seller via a bid review user interface; and

executing a short-bid sale of the item in a particular short-bid contract upon receipt of the acceptance indication for the particular short-bid contract.

Claim 56 (new): A system for electronically managing auctions that include short-bidding, the system comprising:

an auction creator user interface configured to allow a single seller to create an auction by entering information about an item, by setting a quantity for the item, and by setting an asking price for the item;

a bid creator user interface configured to allow each one of a plurality of purchasing bidders to place a bid on the item, and to set a bid price regardless of the asking price for the item and regardless of any

bid prices on other bids for the item, and where when the bid price is less than the asking price then the bid becomes a short-bid contract;

a bid reviewer user interface configured to provide the seller with information on the short-bid contracts, if any, for the item, and to receive from the seller an indication of whether to accept any particular short-bid contract; and

a sale executor configured to execute a short-bid sale on the item in the particular short-bid contract when the bid reviewer receives the acceptance indication for a particular short-bid contract.

Claim 57: (new) The system of claim 56, further comprising a bid manager configured to execute an asking price sale on the item when the bid price of any of the bids is at the asking price for the item.

Claim 59 (new): The system of claim 56 further comprising a notification manager that sends notification to the seller when one of the bids is created.

Claim 60 (new): The system of claim 56, where the auction creator further provides for sellers to create an auction in which the auction runs until a last one of the items is sold or the seller terminates the auction.

Claim 61 (new): The system of claim 57, further comprising an auction editor configured to allow the seller to modify the auction so that the asking price is lowered, and the bid manager sells the item to all short-bids that are now equal to or greater than the modified asking price.

Claim 62 (new): The system of claim 56, further comprising a bid reviewer configured to allow the seller to review a history of the bids and the sales

using a technique selected from a display filter, a sorting criteria, or both a display filter and a sorting criteria.

Claim 63 (new): The system of claim 56, comprising a bid analyzer to provide information on how much revenue will be made on all transactions assuming acceptance of a selected one or more of the bids.

Claim 64 (new): The system of claim 62, where the display filter is configured to allow the seller to select and deselect individual ones of the purchasing bidders.

Claim 65 (new): The system of claim 56, where the bid creator further allows any of the purchasing bidders to specify what the bid price will be during each of a specific time period of the auction.

Claim 66 (new): The system of claim 62, where:

the bid creator further allows any of the purchasing bidders to specify what the bid price will be during each of a specific time period of the auction

the bid reviewer is further configured to provide information selected from one or more of:

i)      the active bids;

ii)     the expired bids; or

iii)    the bids with prices specified for the time periods of the auction.

Claim 67 (new): The system of claim 56, further comprising an auction creator for sellers to create an auction on a specific downloadable electronic good with an infinite quantity.

## REMARKS— General

This amendment is in response to the office action by Examiner James H. Zurita, mailed 7/10/2008 for Application No. 10/757,432 originally filed on 1/15/2007, and having confirmation no. 4097 as well as the Telephonic Application Interview conducted at 2:00pm EST on November 19, 2008 with James H. Zurita, Glenn Seidman, Shawn Perleschi, and Patent Agent Gary Goates.

Prior to this amendment, claims 28-53 were pending in this application. Claims 28-53 are herein cancelled. Claims 54-66 are newly presented.

## REMARKS— Telephonic Application Interview

At the Telephonic Application Interview, the following activities and agreements took place:

Agreed that even though since Mr. Zurita became convinced of a new understanding of the patent application during the interview, he still cannot give any indication of patentability during the telephone interview. This is the case, since at the point of the new understanding, a new search for prior art needs to be performed and will be conducted.

Agreed that the invention is a variation of a forward auction where sellers start auctions and bidders compete for the item with generally higher and higher priced bids. Agreed that a reverse auction is where a purchaser starts the auction and sellers compete for selling the item with generally lower and lower offers. Agreed that while primarily a forward auction, the patent application provides a short-bidding capability relative to a seller's fixed price where the bid will be automatically accepted. Thus, a bidder may bid any price regardless of all other bids.

<u>Agreed that Gupta's patent (US 7,130,815) is a reverse auction</u> and that Gupta cited Priceline.com as an example. Agreed that the patent application presents an auction apparatus that is, in general the opposite of Gupta's invention (forward vs. reverse auction), therefore, it cannot be considered for preventing patentability.

<u>Agreed that in the patent application, the variation of short-bidding is illustrated in the figures of the original application.</u> Agreed that FIG. 3 illustrates the ability for a bidder to bid any price and that FIG. 4 illustrates the ability for a seller to look over all prices bid and check which ones to accept.

<u>Agreed that eBay's "Buy it now" feature is distinct from the short-bidding capability.</u> "Buy it now" and the patent application both have a fixed price set by the seller that will automatically consummate a transaction, but ebay's "Buy it now" provides no means to communicate a lower bid price as the inventors' patent application does.

Mr. Zurita asked inventors if they had researched prior art. Dr. Seidman indicated that this had been done but that nothing was close. Mr. Zurita indicated that it would be helpful to submit an Information Disclosure Statement of what was found, but that it may be submitted after the response currently due.

Mr. Zurita ended by saying that inventors may either file a Request for Reconsideration, at which point they will get an advisory action that the examiner cannot allow anything after Final action. Inventors could then file a Request for Continued Examination. Mr. Zurita then indicated that it